

***CITY OF LAREDO  
FINANCE DEPARTMENT  
PURCHASING DIVISION  
REQUEST FOR PROPOSALS***

**CITY OF LAREDO MEDICAL PLAN BENEFITS PROGRAM  
CITY OF LAREDO**

The City of Laredo invites interested parties to submit proposals subject to the terms and conditions and other contract provisions, from qualified firms to provide medical plan benefits services the City of Laredo.

Copies of the specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: [www.cityoflaredo.com](http://www.cityoflaredo.com)

Proposals will be received at the City Secretary Office, 1110 Houston St., 3<sup>rd</sup>. floor, Laredo, Texas 78040 until **5:00 P.M. on May 29, 2014** and all proposals received will be opened and publicly acknowledged at **3:00 PM on May 30, 2014**.

Proposals are to be submitted in a sealed envelope clearly marked:

**Proposal: City of Laredo Medical Plan Benefits  
RFP FY14-064**

Proposals are to be mailed:

**City of Laredo – City Secretary  
C/O Gustavo Guevara Jr.  
City Hall – Third Floor  
PO Box 579  
Laredo, Texas 78042-0579**

Hand Delivered:

**City of Laredo – City Secretary  
C/O Gustavo Guevara Jr.  
City Hall – Third Floor  
1110 Houston  
Laredo, Texas 78040**

The City of Laredo reserves the right to reject any and all proposals, and to waive any minor irregularities.

**Three (3) Original Hard Copies and three electronic formatted (preferably on a flash drive media – the questionnaire response and claims re-pricing responses must be formatted in Microsoft Excel)**

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PURCHASING DIVISION

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**City of Laredo**  
**Purchasing Division**

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**Notice to Bidders**

The City of Laredo invites interested parties to submit proposals subject to the terms and conditions and other contract provisions, from qualified firms to provide medical plan benefits services the City of Laredo. Copies of the specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: [www.cityoflaredo.com](http://www.cityoflaredo.com) Proposals will be received at the City Secretary Office, 1110 Houston St., 3<sup>rd</sup>. floor, Laredo, Texas 78040 until **5:00 P.M. on May 29, 2014 and all proposals received will be opened and publicly acknowledged at 3:00 PM on May 30, 2014.**

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WITNESS MY HAND AND SEAL, THIS 9th DAY OF MAY 2014.

  
Gustavo Guevara Jr.  
City Secretary

## **TERMS AND CONDITIONS OF INVITATIONS FOR PROPOSALS**

### **GENERAL CONDITIONS**

Vendors are required to submit Proposals upon the following expressed conditions:

- (a) Vendors shall thoroughly examine the specifications, schedule instructions and other contract documents. Once the award has been made, failure to read all specifications, instructions, and the contract documents, of the City shall not be cause to alter the original contract or for a vendor to request additional compensation.
- (b) Vendors shall make all investigations necessary to thoroughly inform themselves regarding facilities and locations for delivery of materials and equipment as required by the Proposal conditions. No pleas of ignorance by the vendor of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the vendor to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.
- (c) Vendors are advised that City contracts are subject to all legal requirements provided for in the City Charter and/or applicable City Ordinances, State and Federal Statutes.

### **1.0 PREPARATION OF PROPOSALS**

Proposals will be prepared in accordance with the following:

- (a) All information required by the proposal form shall be furnished. The vendor shall print or type the business name and manually sign the schedule.
- (b) Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern
- (c) Alternate Proposals will not be considered unless authorized by the invitation for proposals or any applicable addendum
- (d) Proposed delivery time must be shown and shall include Sundays and holidays
- (e) Vendors will not include Federal taxes or State of Texas limited sales tax in proposal prices since the City of Laredo is exempt from payment of such taxes. An exemption certificate will be furnished upon request.

### **2.0 DESCRIPTION OF SUPPLIES**

Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Vendor is required to state exactly what they intend to furnish; otherwise Vendor shall be required to furnish the items as specified.

### **3.0 SUBMISSION OF PROPOSALS**

- (a) Proposals and changes thereto shall be enclosed in sealed envelopes, properly addressed and to include the date and hour of the Proposal opening and the material or services. Proposal shall be typed or written on the face of the envelope.
- (b) Unless otherwise noted on the Notice to Vendors cover sheet, all Proposals must be submitted to the Office of the City Secretary, City Hall, 1110 Houston Street, Laredo, Texas 78040. The mailing address is Office of the City Secretary, PO. Box 579, Laredo, Texas 78042.
- (c) Proposals must be submitted on the forms furnished. Telegraphic and facsimile proposals will not be considered.
- (d) Samples, when required, must be submitted within the time specified, at no expense to the City of Laredo. If not destroyed or used up during testing, samples will be returned upon request at the Vendors expense.
- (e) Proposals must be valid for a period of ninety days. An extension to hold proposal pricing for actual quantity bids may be requested by the City.
- (f) The City shall pay no costs or other amounts incurred by any entity in responding to this RFP, or as a result of issuance of this RFP.

### **4.0 REJECTION OF PROPOSALS**

The City may reject a proposal if:

- (a) Vendor misstates or conceals any material fact in the proposal.
- (b) Proposal does not strictly conform to the law or the requirements of the proposal.

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- (c) Vendor is in arrears on existing contracts or taxes with the City of Laredo.
- (d) If proposals are conditional. Vendor may qualify their Proposal for acceptance by the City on an "ALL OR NONE" basis. An "ALL OR NONE " basis proposal must include all items in the specifications.
- (e) In the event that a vendor is delinquent in the payment of City of Laredo taxes on the day the proposals are opened, including state and local taxes, such fact may constitute grounds for rejection of the proposal or cancellation of the contract. A vendor is considered delinquent, regardless of any contract or agreed judgments to pay such delinquent taxes
- (f) No proposal submitted herein shall be considered unless the vendor warrants that, upon execution of a contract with the City of Laredo, vendor will not engage in employment practices such as discriminating against employees because of race, color, sex, creed, or national origin. Vendor will submit such reports as the City may therefore require assuring compliance with said practices.
- (g) The City may reject all proposals or any part of a proposal whenever it is deemed necessary.
- (h) The City may waive any minor informalities or irregularities in any proposal.

**5.0 WITHDRAWAL OF PROPOSALS**

Proposals may not be withdrawn after they have been publicly opened, unless approved by the City Council.

**6.0 LATE PROPOSALS OR MODIFICATIONS**

Proposals and modifications received after the time set for the proposal opening will not be considered. Late proposals will be returned to the vendor unopened.

**7.0 CLARIFICATIONS OR OBJECTION TO PROPOSAL SPECIFICATIONS**

If any person contemplating submitting a Proposal for this contract is in doubt as to the true meaning of the specifications, or other proposal documents or any part thereof, they may submit to the City Purchasing Agent on or before seven days prior to the scheduled opening date a request for clarification. All requests for information shall be made in writing, and the person submitting the request will be responsible for its prompt delivery. Any interpretation of the proposal, if made, will be made only by an addendum duly issued by the Purchasing Agent. A copy of such addendum will be mailed or delivered to each vendor having receiving a set of proposal documents. The City will not be responsible for any other explanations or interpretations of the proposed proposal made or given prior to the proposal opening or award of contract. Protest Procedures: The purpose of this procedure is to establish procedures whereby a vendor may protest specific procurement actions by the City of Laredo. The following sequence of activities must take place in filing a protest:

To be performed by protesting vendor: Within ten (10) days prior to the time that the City Council considers the recommendation of the City's Purchasing Officer, the protesting vendor must provide written protest to the City Purchasing Officer. Such protest must include specific reasons for the protest.

To be performed by City's Purchasing Officer: Shall review the records of procurement and determine legitimacy and procedural correctness. With five (5) working days, the City Purchasing Officer shall provide written response to the protesting vendor of the decision.

If the protesting vendor is not satisfied with the decision of the City Purchasing Officer, such protesting vendor may appeal to the City Manager of the City of Laredo. If the protesting vendor cannot resolve the issue with the City Manager, he shall be entitled to address his concerns when the City Council of the City of Laredo considers the awarding of the contract. Such appeal may be made only after exhausting all administrative procedures through the City Manager.

All protests must be duly submitted via Certified Mail to:

City of Laredo - Purchasing Agent  
5512 Thomas Ave.  
Laredo, Texas 78041.

**8.0 VENDOR DISCOUNTS**

- (a) Percent discounts within a certain period of time will be accepted. The period of the discount offered should be sufficient to permit payments within such period in the regular course of business by the City of Laredo.

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- (b) In connection with any discounts offered, time will be computed from the date of receipt of supplies or service or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date the check is mailed.

**9.0 INTENT OF CONTRACT**

- (a) ANNUAL SERVICE CONTRACT: The services are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased and change orders shall not be applicable. The City's obligation for performance of an annual service contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

**10.0 AWARD OF CONTRACT**

The contract will be awarded to the vendor who provides the best value for the city based on the evaluation factors listed in the request for proposal document, in accordance to the provisions of the State of Texas - Local Government Code. The City reserves the right to accept any item or group of items in the proposal specifications, unless the Vendor qualifies its proposal by specific limitation. Proof: The vendor shall bear the burden of proof of compliance with the City of Laredo specifications.

A written award of acceptance (a duly approved purchase order or Letter of Award) furnished by the City to the successful vendor results in a binding contract without further action by either party. These Terms and Conditions shall be the basis and governing document of the binding contract.

Prices must be quoted F.O.B. Destination, Laredo, Texas, unless otherwise specified in the invitation to proposal. The place of delivery shall be that set forth in the purchase order.

Title & Risk of Loss: The title and risk of loss of goods shall not pass to the City of Laredo until the City actually receives and takes possession of the goods at the point or points of delivery. The terms of this agreement is "no arrival, no sale".

Delivery time and prompt payment discounts will be considered in breaking ties. In the event of a tie proposal, the successful vendor will be determined by choosing lots at the City Council meeting.

The City of Laredo shall give written notice to the contractor (supplier) if any of the following conditions exist:

1. Contractor does not provide materials in compliance with specifications and/or within the time schedule specified in proposal.
2. Contractor neglects or refuses to remove materials or equipment which have been rejected by the City of Laredo if found not to comply with the specifications.
3. The contractor makes an unauthorized assignment for the benefit of any contractor.

Upon receiving written notification from the City that one of the above conditions has occurred, the contractor must remedy the problem within ten days, to the complete satisfaction of the City, or the contract will be immediately canceled.

**11.0 PAYMENTS & INVOICING**

All invoices to the City of Laredo have a 30-day term from receipt of completion of services. Discount terms will be computed from the date of receipt and acceptance of supplies or services. Payment shall be deemed to be made from that date.

All invoices must show the purchase order number and invoices shall be legible. Items billed on invoices should be specific as to applicable stock, manufacturer catalog or part number. All items must show unit prices. If prices are based on discounts from list, then list prices must appear on Proposal schedule.

All invoices shall be mailed to the Accounts Payable Office, City Hall, PO. Box 210, Laredo, Texas 78042.



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**12.0 CONTRACT REQUIREMENTS**

**12.1 CODE OF ETHICS ORDINANCE 2012-0-126**

Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics.

**12.2 Section 4.03 Prohibited Contacts During Contract Solicitation Period**

A person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released, if such contact could be construed as an attempt to influence a decision regarding said contract. This no-contact provision shall conclude when the contract is awarded. If contact is required, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration.

**13.0 NON-COLLUSIVE AFFIDAVIT Form Attached.**

The City may require that vendors submit a Non-Collusive Affidavit. The vendor will be required to state that the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

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**Request for Proposals  
Medical Plan Benefits Program Services  
City of Laredo**

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**14.0 Introduction**

The City of Laredo currently makes available to its employees a self-funded plan of medical and dental benefits, along with a Section 125 Plan offering Flexible Spending Accounts and Dependent Care Accounts.

At this time, by means of this Request for Proposal, the City of Laredo is seeking proposals from qualified persons or entities that can provide the following services, as more fully described in this RFP for an October 1, 2014 effective date:

<b>Service / Benefit Description</b>	<b>Current Vendor</b>
Third Party Medical Claims Administration	Blue Cross and Blue Shield of Texas
Managed Medical Network Access	Blue Cross and Blue Shield of Texas
Medicare Supplement Carrier	The Hartford
COBRA Administration	Blue Cross and Blue Shield of Texas
Pharmacy Benefit Management	Prime Therapeutics
Stop Loss Reinsurance	Blue Cross and Blue Shield of Texas
Section 125 Administration	Payflex

- 14.1 The following acronyms are used in this document and for purposes of this Request for Proposal the following meanings will be assumed.

AWP – Average Wholesale Price  
CDHP – Consumer Driven Health Plan – any configuration  
COB – Coordination of Benefits  
COBRA - Consolidated Omnibus Budget Reconciliation Act of 1985  
DAW – Dispense As Written  
DUR – Drug Utilization Review  
EOB – Explanation of Benefits  
EPO – Exclusive Provider Organization  
FOB – Free On Board  
HIPAA – Health Insurance Portability and Accountability Act  
ID card – Identification Card  
IPA – Independent Practice Association  
IVR – Integrated Voice Response  
MAC – Maximum Allowable Cost  
PBM – Pharmacy Benefit Manager  
PHO – Physician Hospital Organization  
PPO – Preferred Provider Organization  
RFP– Request for Proposal  
SPD – Summary Plan Description

- 14.2 All questions for this proposal shall be submitted in writing or by email before May 22, 2014 at 2:00 PM Central Standard Time to:

Elisa Holguin  
Senior Benefits Consultant  
201 E. Main Dr. Suite 800  
El Paso, TX, 79901

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Email: [elisa.holguin@hubinternational.com](mailto:elisa.holguin@hubinternational.com)

**15.0 Goals and Objectives**

The City of Laredo has decided to conduct this RFP review process in order to:

- 15.1 Review these aspects of the City of Laredo's benefit programs to ensure price competitiveness, service and benefit access at optimum levels.
- 15.2 Maintain or improve the benefit levels in force, if economically feasible.
- 15.3 Improve cost minimization by investigating alternatives.
- 15.4 Assess long term alternatives for managing the employee benefits programs
- 15.5 The City of Laredo may elect to award one or more categories of the Services, or parts thereof, separately and independently to Qualified Proposers. Therefore, among other things, the City of Laredo reserves the right to select a network provider independent of offers submitted with Third Party Administration proposals, the right to select a stop loss insurer independent of offers submitted with Third Party Administration proposals, and the right to select a Pharmacy Benefit Manager independent of offers submitted with Third Party Administration proposals. Unless otherwise expressly stated in its proposal, a Proposer agrees to accept any such partial award, if made.
- 15.6 The City of Laredo will entertain responses on bundled or unbundled Services. A response for unbundled Services should include all Services contained within a particular category of Services. A response for Bundled Services may be through one Proposer providing one or more categories of Services or two or more Proposers submitting a joint response to this RFP.
- 15.7 Willingness to work with outside vendors who may provide other vital services to the City of Laredo is required. In that regard, in the event the City of Laredo awards one or more categories of the Services, or parts thereof, separately and independently, each Proposer receiving an award from the City of Laredo shall be expected to work well with the other awarded Proposers. If any Proposer believes it may have difficulty in working well with any other potential Proposer, the same should be disclosed in the response.
- 15.8 Any Proposer who is under common control or ownership with any other Proposer, whether or not for the same category of Services, shall disclose the same in its response. Any Proposer who is affiliated with any other Proposer, whether or not for the same category of Services, by means of a contractual or other relationship, shall disclose the same in its response.
- 15.9 Any person or entity responding to this RFP shall be referred to herein as a "Proposer". Any reference to "you", "your", or derivation thereof refers to any actual or potential Proposer reviewing this RFP.
- 15.10 The City of Laredo reserves the right to return to the top candidates to request a final proposal based upon one or more components of the initial proposal. The City of Laredo reserves the right to negotiate certain terms and conditions relative to the contract(s) for particular awarded services (each, a "Contract").

**16.0 Consultant**

HUB International Insurance Services, El Paso, has been engaged to assist in preparing this RFP document, the analysis of responses and in the selection process.

**17.0 Proposal Specifications**

Each proposer is encouraged to present proposals that are based on its unique capabilities and resources and that, at the same time; recognize the City of Laredo's specific needs.

- 17.1 The assumptions upon which a proposal should be based are outlined in this RFP.



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17.2 The City of Laredo will accept only one proposal (response from each) per Proposer. Multiple proposals from different Proposer offices or representatives will not be accepted. Three (3) Original Hard Copies and three electronic formatted (preferably on a flash drive media - the questionnaire response and claims re-pricing responses must be formatted in Microsoft Excel) copies of the proposal should be delivered to the City of Laredo. Any other electronic documents submitted should be in a searchable file format using Microsoft Word or Adobe Acrobat Reader.

17.3 Do not make any changes to the questions or tables in this RFP. You are welcome to elaborate and offer additional information to supplement your response in separate documents.

**18.0 Proposal Presentation**

Proposers may be requested to make a formal presentation at the City of Laredo's offices in Laredo, Texas. The City of Laredo reserves the right to record all presentations.

**19.0 Claim Office or Site Visit**

The City of Laredo may wish to conduct an on-site review and evaluation of the claims processing, offices, or facilities of one or more Proposers. It is expected that any such Proposer will provide a live demonstration of the entire scope of its operations, including (but not limited to) claims adjudication, claim inquiries, utilization review, provider auditing techniques, provider referral procedures, and internal quality assurance.

**20.0 Term of Contract**

The term of this contract shall be for a period of three (3) years beginning on October 1, 2014 through September 30, 2017. The contract may be extended for two, additional one (1) year period each upon mutual agreement of the City and the vendor. Upon mutual agreement to extend the contract for any additional three year period, both parties must notify each other in writing no later than sixty (60) days before the expiration of the prior term. Such notification shall be effective upon actual receipt by the City. It is expressly understood by the parties that any such extension of this contract is entirely revocable at the City's discretion and is contingent upon the agreement and acceptance by the City Council. All annual contracts shall bound by the terms of the bid documents. In the event a new contract cannot be executed on the anniversary date of the original term or renewal term, the contract may be renewed month to month until a new contract is executed.

20.1 Exception to Renewal

The Medicare Supplement coverage plan being requested would be effective January 1, 2015 through December 31, 2017.

20.2 Each Proposer receiving an award from the City of Laredo will be expected to agree to a Contract in form and substance satisfactory to the City of Laredo and its legal counsel.

**21.0 General Conditions and Instructions**

If any person or entity was employed or retained by Proposer on a commission, percentage, or contingent fee to solicit or secure an award under this RFP, the same shall be disclosed in the response.

21.1 It is important that all Proposers complete the appropriate tabs in the City of Laredo Questionnaire Excel Worksheet contained in the Exhibits section of the RFP.

21.2 Your proposal responses should be based on the following assumptions and background information:

Effective Date

October 1, 2014 to January 1, 2015 for Medicare Supplement Plan

**22.0 Background Information**

The City of Laredo has a self-funded medical plan for eligible Active Employees (approximately 2518 Employees/5600 total lives) and non-Medicare Retirees. Medicare eligible retirees medical is fully insured and the pharmacy component is self-funded by the City. The current agreements with the current providers will expire on 9/30/14. The City of Laredo is seeking proposals from qualified proposers to provide the requested services to administer these plans.

Currently, the City of Laredo offers one medical benefit plan for Active Employees and one plan for Retirees. Benefit booklets and rates are provided in the materials supporting this solicitation. The City offers a wellness incentive that reduces the deductible for the Active population from \$750 to \$500 but all other benefits remain the same. At this time, the City of Laredo is requesting that proposers confirm their ability to offer the current benefit plan designs including the administration of the reduced deductible plan for wellness program participants. Proposers should also include offers to provide HSA services as well. The City of Laredo reserves the right to amend the benefit plans at any time.

**23.0 Pharmacy Benefits Management**

The City of Laredo will participate in the Retiree Drug Subsidy Program offered by CMS. Any proposing PBM should confirm its ability to support the City of Laredo with eligibility and cost submissions.

- 23.1 The City of Laredo would also entertain participating in an Employer Group Waiver Program to maximize the value of its Medical Eligible Prescription Drug Benefits. Each Proposer should describe its abilities to offer an EGWP program to the City of Laredo.

**24.0 Retiree Medical Insurance**

The City of Laredo currently offers a self-funded plan to the Non-Medicare Eligible Retirees. The Medicare Retirees are on a fully-insured arrangement for the medical piece but a self-funded arrangement for pharmacy benefit management. The City will entertain fully insured proposal for retiree insurance coverage's similar to the benefits currently offered.

**25.0 Claims Re-pricing Requirement**

If your organization intends to provide medical provider network access you must follow these instructions to complete and submit a response to a re-pricing exhibit for medical and pharmacy claims.

- 25.1 Complete and return the provided "Use and Disclosure Agreement" to the purchasing department.
- 25.2 Upon receipt of a properly executed form, the Purchasing department will provide HUB International Insurance Services your contact information and an encrypted file will be transmitted to you electronically.
- 25.3 Return the completed file along with your proposal submission on a separate flash drive in a sealed envelope marked "confidential".
- 25.4 The City is a political subdivision of the State of Texas and is governed by the Texas Public Information Act, Chapter 552, Texas Government Code (the "Act"). If your response to the RFP contains material that you consider Confidential Information, you must indicate prominently on your response which sections are considered confidential. In the event the City receives a request under the Public Information Act for information you have deemed Confidential Information, it shall promptly notify you pursuant to the requirements of the Act, which places on you the burden of establishing the confidentiality of information pursuant to the Act, see section 552.305. It is expressly agreed that the City may request a determination from the Attorney General of the State of Texas in regard to the application of the Public Information Act to the requested information and whether the information is to be made available to the public.

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It is further agreed that the City, its officers and employees shall have the right to rely on the determinations of the Texas Attorney General, and that City, its officers and employees shall have no liability to Vendor for disclosure to the public in reliance on a decision by the Attorney General. Nothing in this agreement shall require Vendor or City to violate the terms of the Public Information Act.

25.5 The re-pricing results should not apply any deductibles or co-share amounts. Assume all claims are eligible under the benefit plan.

25.6 Please re-price each claim, line by line, and summarize claim re-pricing amounts by hospital, physician, ancillary facility and all other claims. Itemize any claims provided that are not used in your re-pricing exhibit and provide a summary explanation as to why the claim was disallowed.

**26.0 Online Enrollment and Eligibility**

The City of Laredo does not currently use an on-line enrollment service and all eligibility is administered using hard copies. The City of Laredo would welcome any information regarding on-line enrollment services.

**27.0 Rates and Fees**

27.1 Whenever possible, any rates and fees should be guaranteed for the initial term of this agreement.

27.2 All rates and fees quoted should specify any commission. If your proposal must contain any commissions or fees paid to non-employees of your company then full disclosure of the fees paid, the recipient receiving any fees, and services provided by any non-employee of your organization must be made.

27.3 All fees should be guaranteed on a per employee per month or per member per month basis for all services.

27.4 Administrative fees and rate-setting methodology for each year should be guaranteed for an initial term of 36 months or until September 30, 2017 (December 31, 2017 for fully-insured medical coverage). One additional 36-month time period should be described in the event of a contract extension. Subsequently, changes in rates and fees must be provided six (6) months in advance.

27.5 Fees for COBRA administration can be quoted separately or identified as included in the base administration fee.

27.6 Fees for HIPAA administration can be quoted separately or identified as included in the base administration fee.

27.7 Fees for network access should be quoted separately or included in the base administration fee.

27.8 Fees for Utilization Review/Utilization Management should be quoted separately or identified as included in the base administration fee.

27.9 Fees for Pharmacy Benefit Management, including administrative fees, dispensing fees, special program fees, discount guarantees and rebate guarantees should be quoted separately or identified as included in the base administration fee.

27.10 Fees for Stop Loss Reinsurance should be quoted separately.

**28.0 Account Structure**

The City of Laredo currently segments the population into the following categories for eligibility and claims data management: Active Civilian Employees, Police Department Employees; Fire Department Employees; COBRA Participants by Plan; Non-Medicare Eligible Retiree Participants; and Medicare Eligible Participants by Plan (for the pharmacy benefit).

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**29.0 Administration Materials**

Claim and enrollment forms, provider directories, survey forms, summary plan description booklets, postage and other administrative materials to be prepared by administrator, with cost included in quoted fee

**30.0 Future Employee Contributions**

The City of Laredo's reserves the right to modify employer contributions at any time in the future.

**31.0 Benefit Plan Year**

October 1 to September 30. However, the City of Laredo reserves the right to change the plan year time frame in the future.

**32.0 Medical Plan Administration Performance Guarantees**

Performance standards in the areas of account management, health plan development and maintenance, member service, claims processing, data reporting and analysis, and implementation are described in the worksheet that follows. The standards are a part of the required proposal and will be a part of the contract. Any deviations must be highlighted. The standards and guarantees are noted below.

32.1 The criteria and guarantees are considered to be client specific – not based upon your book of business or assigned teams or departments. If you cannot meet this requirement your response must clearly identify how you calculate your metrics.

32.2 If you are willing to establish claim target guarantees, please explain your methodology in establishing the target and the formula for reward/penalty if the target is met/failed. The City of Laredo reserves the right to negotiate performance guarantees with any network provider upon review of offers received.

**33.0 Performance Guarantees**

**Member Satisfaction**

<b>Guarantee</b>	<b>Reduction</b>
Proposer will develop and implement a mutually acceptable annual survey to evaluate member satisfaction with Proposer's performance, the performance of medical providers, and general satisfaction with the plan design in an effort to gauge general member understanding of the health plan. Measurement criteria: Random sample survey designed with client approval.	The reduction will be \$5,000 if the 75% satisfaction or better with Proposer's performance is not met.

**Claim Adjudication (Payment Accuracy)**

<b>Guarantee</b>	<b>Reduction</b>
Proposer will guarantee the claim adjudication payment process will not exceed an error rate of 3% in any given quarter.  Definition: Number of correct claims payment divided by total number of payments made, expressed as a percentage.	The maximum reduction will be 5% of the administrative fees for any month that the standard is not met

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Measurement criteria: Random sample audit or vendor generated management reports mutually agreed to report required information.	
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**Claim Adjudication Turnaround – Non-Investigated Claims**

Guarantee	Reduction
<p>Proposer will guarantee the average claim turnaround time for non-investigated claims during the contract period will not exceed an average of 16 calendar days for 90% of processed claims.</p> <p>Definition: A non-investigated claim shall mean a complete claim received with information sufficient to allow the vendor to make a final claim determination. Proposer measures turnaround time from the claimant's viewpoint. That is, turnaround time is measured from the date the check or EOB is mailed for member payable claims or is in a ready for payment status for providers. Weekends or holidays are included in the turnaround time.</p> <p>Measurement criteria: A computer generated turnaround time report for specific claims will be provided on a monthly basis.</p>	<p>If the cumulative quarterly turnaround time exceeds an average of 16 calendar days, vendor will reduce its administrative fee by \$7500 for each day, to a maximum of \$5,000 per month.</p>

**Claim Dollar Payment Accuracy**

Guarantee	Reduction
<p>Proposer will guarantee the average claim payment accuracy, as measured by the dollar amount of claims paid accurately divided by the total dollars, will be 98% or higher in any given quarter.</p> <p>Definition: Accuracy shall be determined by dividing the total dollar amounts overpaid, as well as underpaid, by the sum of amounts actually paid. This is the error rate that then is subtracted from 100% to determine the claims accuracy level.</p> <p>Measurement criteria: Vendor's internal quality control program results for assigned processors will be used.</p>	<p>Proposer will reduce its administrative fee by \$1,500 for each 1% that coding accuracy drops below 98% up to a maximum reduction of \$5,000 for a given month.</p>

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**Data Reporting Delivery**

<b>Guarantee</b>	<b>Reduction</b>
Standard reports will be delivered within 20 calendar days of the previous month	The reduction will be \$1,500.

**Customer Service**

<b>Guarantee</b>	<b>Reduction</b>
Telephone Service	Proposer will reduce administrative fees by \$ 750 for each 5% that the standard is not met up to a maximum of \$ 3,000 in any given month.

**34.0 Evaluation of Proposals/Award of Contract**

The City Manager will assign an evaluation committee to review all bid proposals. Based on the recommendation of the evaluation committee, the City Manager shall submit the recommendation to the City Council for approval.

This contract will be awarded to the responsible offeror whose proposal is determined to provide the best value among those considered technically acceptable. The City reserves the right to meet or communicate with any offeror to clarify the responsiveness of its proposal and the responsibility of the owner's organization in order to ascertain technical acceptability.

- 34.1 All submittals shall be evaluated to determine which proposal best meets the needs of the City of Laredo. Factors to be considered will include but not be limited to:

<b>Criteria</b>
Cost (Combined Fees and Estimated Claims Expense)
Provider Networks (Medical, Pharmacy)
Extent to which the goods or services meet the City's needs in the form of: * Provider Networks *Plan Designs *Reputation *Customer Service (Local and Corporate) *Reporting Capabilities



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**35.0 Applicable Specifications**

The contractor shall at all times observe and comply with all Federal and State laws which, in any manner, affect the operation and provision of this service and attest to such in its proposal.

**36.0 Conflict of Interest Questionnaire**

Please submit a signed conflict of interest questionnaire, if no conflict of interest exist mark as N/A.

**37.0 Required Submittals**

The City of Laredo will be utilizing best value evaluation criteria to select the contract vendor (s). You are asked to respond to the following questions and provide concise responses to these questions. The Questionnaire is located in Exhibit 1. Do include boilerplate marketing brochures or informational documents with your responses.

- 37.1 Bidder information Questionnaire
- 37.2 Proposal
- 37.3 Conflict of Interest Questionnaire
- 37.4 General Information
- 37.5 Financial Information
- 37.6 Customer Service
- 37.7 References
- 37.8 Technical Information – TPA or ASO
- 37.9 Implementation Information
- 37.10 Preferred Provider Network
- 37.11 Pharmacy Benefit Management
- 37.12 HIPAA
- 37.13 Stop Loss
- 37.14 COBRA Administration
- 37.15 Section 125
- 37.16 Wellness Program Administration
- 37.17 Agent Services

\*\*\*Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc. “The reviewer will consider these answers non-responsive to the question. All responses must be made with the designated cell(s) of the worksheets provided.

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**Bidder Information Questionnaire**

**Bidder Information/Business Questionnaire:**

**Please complete all information requested below and submit with your bid package**

"The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this request. By submitting this bid the vendor agrees to the City of Laredo specifications and all terms and conditions stipulated in the proposed document. That I, individually and on behalf of the business named in this Business Questionnaire, do by my signature below, certify that the information provided in the questionnaire is true and correct ".

Name of Offeror (Business) \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_  
of person authorized to sign bid

Print Name \_\_\_\_\_  
of person authorized to sign bid

Title: \_\_\_\_\_

Business Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_

Federal Tax ID Number: \_\_\_\_\_

Bidders Principal/Corporate Place of Business Address: \_\_\_\_\_

Indicated Status of Business:

Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Sole Proprietorship \_\_\_\_\_ Other: \_\_\_\_\_

If other state business status: \_\_\_\_\_

State how long under its present business name: \_\_\_\_\_

If applicable, list all other names under which the Business identified above operated in the last five years.

\_\_\_\_\_  
\_\_\_\_\_

Will bidder/proposer provide a copy of its financial statements for the last two years, if requested by the City of Laredo? Yes / No

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Has the business, or any officer or partner thereof, failed to complete a contract? Yes / No.

Is any litigation pending against the Business? Yes / No.

Is offeror currently for sale or involved in any transaction to expand or to become acquired by another business entity? Yes / No.  
If yes, offer need to explain the expected impact both in organizational and directional terms.

Has the Business ever been declared “not responsive” for the purpose of any governmental agency contract award? Yes / No.

Has the Business been debarred, suspended, proposed for debarment, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or otherwise disqualified from bidding, proposing, or contracting? Yes / No

Are there any proceedings, pending relating to the Business responsibility, debarment, suspension, voluntary exclusion, or qualification to receive a public contract? Yes / No.

Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of default or in lieu of declaring the Business in default? Yes / No

Is the Business in arrears in any contract or debt? Yes / No

Has the Business been a defaulter, as a principal, surety, or otherwise? Yes / No

Have liquidated damages or penalty provisions been assessed against the Business for failure to complete work on time or for any other reason? Yes / No.

State if company is a certified minority business enterprise:

Historically Underutilized Business (HUB):	Yes	No	Disadvantaged Business Enterprise (DBE):	Yes	No
--	-----	----	--	-----	----

Small Disadvantaged Business Enterprise (SDBC)	Yes	No	Other: Please specify _____
--	-----	----	-----------------------------

This company is not a certified minority business: ☐

***The above minority information is requested for statistical and tracking purposes only and will not influence the amount of expenditure the City will make with any given company***

### **Conflict of Interest Disclosure**

A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

Companies and individuals who contract, or seek to contract, with the City of Laredo and its agents may be required to file with the **City Secretary's Office, 1110 Houston Street, Laredo, Texas 78040**, a Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Laredo officers, or certain family members or business relationships of the City of Laredo officer, with which such persons do business, or any gifts in an amount of \$250.00 or more to the listed City of Laredo officer (s) or certain family members.

The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor.

The Conflict of Interest Questionnaire (Form CIQ) may be downloaded from [http://www.ethics.state.tx.us/whatsnew/conflict\\_forms.htm](http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm).

The City of Laredo officials who come within Chapter 176 of the Local Government Code relating to filing of **Conflicts of Interest Questionnaire (Form CIQ)** include:

1. **Mayor**
2. **Council Members**
3. **City Manager**
4. **Members of the Fire Fighters and Police Officers Civil Service Commission.**
5. **Members of the Planning and Zoning Commission.**
6. **Members of the Board of Adjustments**
7. **Members of the Building Standards Board**
8. **Parks & Leisure Advisory Committee Member,**
9. **Historic District Land Board Member,**
10. **Ethics Commission Board Member,**
11. **The Board of Commissioners of the Laredo Housing Authority**
12. **The Executive Director of the Laredo Housing Authority**
13. **Any other City of Laredo decision making board member**

If additional information is needed please contact Francisco Meza, Purchasing Agent at 956-790-1825

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**CONFLICT OF INTEREST QUESTIONNAIRE**  
**For vendor or other person doing business with local governmental entity**

**FORM CIQ**

**This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

**OFFICE USE ONLY**

Date Received

**1 Name of person who has a business relationship with local governmental entity.**

**2** ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

**3 Name of local government officer with whom filer has employment or business relationship.**

\_\_\_\_\_  
Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, income, other than investment income, from the filer of the questionnaire? ☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity? ☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves an officer or director, or holds an ownership of 10 percent or more? ☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

\_\_\_\_\_  
Signature of person doing business with the governmental entity

\_\_\_\_\_  
Date

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## General Information

**Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc.” The reviewer will consider these answers non-responsive to the question. All responses must be made within the designated cell(s) of the worksheet provided.**

1	Parent Company Name:	
2	Address:	
3	City/State/Zip:	
4	Company Name: (If not same as above)	
5	Address:	
6	City/State/Zip:	
7	Contact Person: (Employee of vendor)	
8	Contact Phone #:	
9	Contact Cellular #:	
10	Contact Email:	
11	Contact Fax #:	
12	Local Address:	
13	Local City/State/Zip:	
14	Local Contact Person: (Employee of vendor)	
15	Local Contact Phone #:	
16	Local Contact Cellular #:	
17	Local Contact Email:	
18	Local Contact Fax #:	
19	Federal Tax ID Number:	
20	Date Parent Company formed:	
21	Date Subsidiary Company formed:	



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22	Date Company enrolled first group in State of Texas:	
23	Date Company was licensed to transact the appropriate line of insurance or administrative related services in the State of Texas:	
24	Number of employees employed in Texas and Nationwide:	
25	Number of groups you administer with over 2,000 employees in force. Please identify Private Sector Texas Nationwide Public Sector Texas Nationwide	
26	Number of lives your administer: Private Sector Texas Nationwide Public Sector Texas Nationwide	
27	Is your company using any sub-contractors? If so, please provide the following information in your response for each sub-contractor: Name of sub-contractor, the scope of services the sub-contractor will perform, the reasons why you are sub-contracting these services, the benefit of sub-contracting these services, the depth of experience of the sub-contractor performing these services, and how you evaluated the sub-contractor, and why you selected this vendor to perform these services.	
28	Has your company recently been acquired or been involved with any merger/acquisition? If yes, briefly describe.	
29	Is your company involved in any pending or contemplated acquisition in the next 36 months? If yes, briefly describe.	
30	Under what other or former names has your company operated? If yes, briefly describe.	
31	Identify any officer, director, employee or agent of your organization who is also an employee of the City of Laredo.	

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32	Disclose the name of any City of Laredo employee who owns, directly or indirectly, an interest of 5% or more in your firm or any of its subsidiaries. Also disclose any familial or financial relationship anyone in your firm may have with any employee of the City of Laredo or member of the family of an employee of the City of Laredo.	
33	Identify any affiliation your firm or an employee of yours currently has with the City of Laredo such as a current contract, sub-contractor on a current contract, a member of an advisory board, etc.	
34	Describe your company's disaster recovery and contingency plans. Have you ever tested or actually implemented these plans?	
35	State your type of business: corporation, non-profit corporation, partnership, joint venture, etc.	
36	Has your company been involved in any litigation over the last five years; pending, settled, or dismissed? Explain each separately. If there is any pending litigation, please include an opinion of counsel as to whether the pending litigation will impair the proposer's performance in a contract under this RFP.)	
37	Has the proposer or any of the proposer's employees, agents, independent contractors or sub-contractors ever been convicted of, pled guilty to, or pled nolo contendere to any felony; and if so, provide an explanation of the relevant details.	
38	Has your company, within the last 10 years, filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors; and if so, provide an explanation of the relevant details.	
39	What separates your firm from other competitors?	
40	Has the interested firm, its principals, officers, or predecessor organization(s) been debarred or suspended from bidding by any government during the last five (5) years? If yes, provide details.	
41	Have you ever failed to complete any work awarded to you? If so, where and why?	

## Financial Information

**Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc.” The reviewer will consider these answers non-responsive to the question. All responses must be made within the designated cell(s) of the worksheet provided.**

1	Ratings (if applicable): <div style="text-align: right;">AM Best Moody's Standard &amp; Poors Fitch</div>	
2	Describe your firm's financial condition for the last three years. Specify fiscal period, retained earnings, debt, and equity. Detail each year separately: <div style="text-align: right;">Year1</div>	
	<div style="text-align: right;">Year2</div>	
	<div style="text-align: right;">Year3</div>	
3	Has your company received any corrective action requests from any State or Federal Government in the last 5 years? If yes, briefly explain.	
4	Provide a copy of your most recent audited financial statements with your response.	

## Customer Service Information

**Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc.” The reviewer will consider these answers non-responsive to the question. All responses must be made within the designated cell(s) of the worksheet provided.**

1	What are your customer service hours of operation?	
2	Describe how calls are received and by whom.	
3	How are calls handled after hours and by whom?	
4	Is there a toll free number?	
5	Are you able to service the hearing impaired or those that speak a foreign language?	
6	What office will handle claims processing and payment? Are all claims adjudicated in one location? By one claims team?	
7	Do you monitor member satisfaction? How do you monitor satisfaction? How do you handle unsatisfied customers?	
8	How are the results communicated to the client and with what frequency?	
9	Describe your organization's capabilities with respect to providing communications in Spanish.	
10	Will an employee be able to access data or submit inquiries and receive responses on-line? Describe your on-line access capabilities.	
11	Please describe your standard member appeal process. Include in your response the differentiation between claims appeals and appeals regarding medical treatment.	

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## References

**Provide the contact information for five current and three former clients of similar size, preferably in the public sector area. Include Organization Name, Address, Contact Person Name and Phone #, number of employees, indicate private/public sector, and briefly explain what services you provided and for how long was your contract.**

1	<b>#1 Current</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
2	<b>#2 Current</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
3	<b>#3 Current</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	

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4	<b>#4 Current</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
5	<b>#5 Current</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
6	<b>#1 Former</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
	Reason for termination:	
7	<b>#2 Former</b>	
	Organization Name:	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
Number of Employees:		



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	Private/public sector:	
	Length of Service:	
	Services Provided:	
	Reason for termination:	
8	<b>#3 Former</b>	
	Organization Name	
	Address:	
	Contact Person:	
	Phone #:	
	Fax #:	
	Email:	
	Number of Employees:	
	Private/public sector:	
	Length of Service:	
	Services Provided:	
	Reason for termination:	

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**TPA or ASO**

**Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc.” The reviewer will consider these answers non-responsive to the question. All responses must be made within the designated cell(s) of the worksheet provided.**

1	From what location will claims be paid?	
2	What are your standards for claims turnaround time? (provide documentation)	
3	Are these standards currently being met by the proposed claim office?	
4	How is turn around measured?	
5	Are pended or duplicate or denied claims included in measured turnaround statistics?	
6	What are your standards for <u>payment</u> accuracy? (number of claims paid correctly divided by the total number of claims).	
7	What are your standards for <u>procedural</u> accuracy? (number of claims processed correctly divided by the total number of claims).	
8	What are your standards for <u>financial</u> accuracy? (total dollars of under and over payment divided by the total claims dollars paid)for the time period January 1, 2013 through December 31, 2013.	
9	Provide reports confirming the results identified in questions 6, 7 and 8 above for the time period January 1, 2013 through December 31, 2013.	
10	How often and for what periods are these standards measured?	
11	Describe the process when an employee calls to discuss a claim. To whom will the employee be directed? What is the average response time for claim inquiries? What percent of inquires are resolved during the initial telephone call? What percent of inquiries are resolved within five (5) working days after the initial call?	
12	Will an employee be able to access data or submit inquiries and receive responses online? Describe your online tools such as health assessments, pricing and decision support tools	
13	What software system do you use to adjudicate claims? Do you own or lease the software? Will you change systems within the next five (5) years?	

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14	How long are records kept? Explain your document retention policies.	
15	Please provide samples of the standard claims/utilization reports provided on a routine basis, indicating the frequency and any additional charge for each report. Are reports available online? If so, how are the reports accessed and protected?	
16	The City of Laredo requires that its consultants and advisors have direct access to actual claim data. Confirm and describe your capabilities to provide direct access to historical claims data, either through data warehousing portals or direct claims feeds.	
17	The City of Laredo reserves the right to audit claim payments and records. Describe your audit policy, including any notice requirements, audit size requirement and time limits or time frames. Any audit conducted by the City of Laredo may be conducted by its Auditors or a designated third party.	
18	Can you provide special ad hoc reports if requested by the City of Laredo or its designated consultant or advisors? Please provide examples and identify any added costs not included in the base administration fees and turn around time for report requests.	
19	What networks does your company currently work with? Please list the various networks and number of lives accessing those networks.	
20	Is your company able to access various networks for the same client? For example, can you patch regional networks together to accommodate members who live in separate areas?	
21	Does your company have a proven track record working with wrap or national networks as well as a primary network? Provide details, examples and explanation.	
22	Describe your ability to track, file and recover stop loss reimbursement claims on behalf of the City of Laredo.	
23	To what extent will your legal counsel assist the City of Laredo in defending suits contesting denial of benefits, eligibility, review of plan documents, legal compliance, etc.?	
24	Please describe services provided for a current client that you would describe as above and beyond the scope of requirements of your contracts.	

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25	What options can you offer the City of Laredo with regards to bank arrangements for H.S.A. participants?	
26	Describe how you would facilitate a transition for any current H.S.A. participants	
27	Provide a full description of your H.S.A. integration between claims administration and banking options, as well as distribution options to participants.	
28	Provide your fee proposal in a Per Employee Per Month format for each service provided.	

## Implementation Information

### IMPLEMENTATION INFORMATION

#### SERVICE PROVIDED (Claims Administration, Pharmacy Benefit Management, Stop Loss, etc.):

What data would you request from the City of Laredo and/or the existing carrier in order to complete the implementation process?

Provide a detailed workplan you would use to implement administration of the City of Laredo's benefit program effective October 1, 2014. Include key activities, the dates during which they will be performed, the person(s) on your team who would be responsible for carrying them through, and the anticipated time frame in which you would anticipate the City of Laredo's involvement. Please respond in a tabular or outline format rather than narrative format. Key activities should include the following:

	Name of Person, Title, Role	Contact Email	Contact Phone	TimeFrame (Business days)	Initial Date	Ending Date
Initial planning meeting						
Periodic update meetings						
Preparation and distribution of enrollment kits						
Employee enrollment, including participation in employee meetings						
Processing of elections						
Preparation of your claim administration system inclusive of website accessibility.						
Customer services orientation						
Establishing the account structure, including initiation of periodic report generation (type and frequency)						
Identification card production						
Identification card distribution						
Certificate/SPD drafting, production and distribution						
Insurance contract draft, including applicable amendments or riders						
Provision of actual contract once drafts are approved						
Provision of standard customized claim forms						
Provision of administration manual						

PLEASE PROVIDE ANY ADDITIONAL KEY ACTIVITIES THAT ARE NOT LISTED ABOVE


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**SERVICE PROVIDED (Claims Administration, Pharmacy Benefit Management, Stop Loss, etc):**

What data would you request from the City of Laredo and/or the existing carrier in order to complete the implementation process?

Provide a detailed workplan you would use to implement administration of the City of Laredo's benefit program effective October 1, 2014. Include key activities, the dates during which they will be performed, the person(s) on your team who would be responsible for carrying them through, and the anticipated time frame in which you would anticipate the City of Laredo's involvement. Please respond in a tabular or outline format rather than narrative format. Key activities should include the following:

	Name of Person, Title, Role	Contact Email	Contact Phone	TimeFrame (Business days)	Initial Date	Ending Date
Initial planning meeting						
Periodic update meetings						
Preparation and distribution of enrollment kits						
Employee enrollment, including participation in employee meetings						
Processing of elections						
Preparation of your claim administration system inclusive of website accessibility.						
Customer services orientation						
Establishing the account structure, including initiation of periodic report generation (type and frequency)						
Identification card production						
Identification card distribution						
Certificate/SPD drafting, production and distribution						
Insurance contract draft, including applicable amendments or riders						
Provision of actual contract once drafts are approved						

**IMPLEMENTATION INFORMATION**

Provision of standard customized claim forms						
Provision of administration manual						
PLEASE PROVIDE ANY ADDITIONAL KEY ACTIVITIES THAT ARE NOT LISTED ABOVE						



## Preferred Provider Network

**Notice: All questions must be answered. Please refrain from responding with a phrase such as “cannot provide at this time or will provide at a later date if selected, etc.” The reviewer will consider these answers non-responsive to the question. All responses must be made within the designated cell(s) of the worksheet provided.**

1	Complete the General information regarding your company in the prior section.	
2	How many clients do you have as of January 1, 2014? How many of these clients are public entities?	
3	<p>Provide a Geo-Access report for your network based on the census information provided in the attached census file. The access standard to be used is:</p> <p>Primary Care (General Dentist): two (2) providers within ten (10) miles of the employee census zip code Specialty Care (Specialist Dentist): one (1) provider within ten (10) miles of the employee census zip code Hospitals: one (1) provider within 15 miles of the employee census zip code</p> <p>In addition, submit the listing of zip codes where the desired access is not met for each of the outlined provider types.</p>	
4	How do you accommodate employees or dependents that live outside of the service area?	
5	What date was your area network established for the City of Laredo?	
6	If a plan participant is using a network physician prior to the start of the plan, and that physician is not accepting new patients under the plan, will the plan participant be able to continue seeing that physician? What transition and continuity of care rules would apply?	
7	Provide the reimbursement process for network physicians who refer a plan participant to a non-network specialist or hospital. Are network physicians required to refer within the network? What protocol is followed when referrals need to be made outside of the network for specialty care? How are referrals made out of network resolved? What repercussions are there, if any, for providers referring patients outside of the network?	

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8	What hospitals are under contract as of January 1, 2014 in the City of Laredo area?	
9	Are any of your hospital contracts renewing in the next three years? Please provide status of negotiations as of this RFP.	
10	Please list your network options for the City of Laredo (i.e. PPO, EPO, etc). Can your network be customized for the City of Laredo if applicable.	
11	Approximately how many members were enrolled in your City of Laredo area networks (medical and dental) as of January 1, 2014?	
12	Is your network self-built, leased or purchased? Please describe third party arrangements (i.e. subcontracting, delegation, PHO arrangements, etc.).	
13	Please provide a copy of your most recent provider network directory in a searchable electronic file format for the City of Laredo area. This data may be used by the City of Laredo for a disruption analysis.	
14	What are your average fee discounts for: *Primary Care Physicians *Specialists *Hospitals when all area hospitals are included in the network *Hospitals when using a tiered or high performance network (itemize the discount by line item above)	
15	Please describe your physician contracts and attach a copy of your standard contract that is used in the City of Laredo area. If you subcontract or delegate, please attach a copy of your contract with the local subcontractor, IPA or PHO.	
16	For the physicians in your City of Laredo network, what is the negotiated reimbursement level as a percent of RBRVS? Which year is used in the formula? Describe any anticipated changes for 2014. Describe your allowed charge schedule for dental expenses as well.	

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17	Does your organization contract with Urgent Care Centers? Does your organization contract with Emergency Care Centers? If so, please provide a list of both local and national centers with whom you contract.	
18	Please provide a list of “Centers of Excellence” for highly specialized care and what services are provided.	
19	Please describe in detail your credentialing process for hospitals and ambulatory surgery facilities. What “quality of care measures” are used?	
20	Do you individually credential all physicians or do you rely on a hospital or other entity to perform the credentialing process?	
21	Do you require an onsite inspection of the provider’s facilities as part of the initial credentialing process?	
22	Do you require physicians to have hospital privileges at an in-network facility?	
23	How often do you re-credential your providers? Do you have an organized system to identify the providers who are due to be re-credentialed?	
24	Provide a copy of your provider application form(s), and credentialing documents used for physicians, ancillary providers and hospitals. Are your credentialing requirements consistent with NCQA standards?	
25	Does your provider relations department have a structured program that provides support services to your physician network?	
26	Describe your capabilities to support the Federal Health Information Technology Initiatives.	
27	Describe your organization’s provider performance evaluation program. Please describe the extent to which evaluations are data driven and include utilization and outcome cost-effectiveness, and patient satisfaction.	
28	Does your organization determine and track complaints about providers and utilize this information as a factor in provider evaluations? If so, please describe this process.	
29	Describe your organization’s corrective action process for providers and how this information is captured and reported.	

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30	What formal programs exist for working with providers to improve effectiveness and efficiency? Please describe them.	
31	How often would you meet with providers to specifically review and update them regarding the City of Laredo's benefit plan?	
32	How many times a year are provider lists updated? How many times a year are updates sent to members and employers? Do you ever include a physician who has not actually signed a contract with you?	
33	Do marketing materials indicate physicians who are not accepting additional patients?	
34	How will you handle situations where a member and their dependents live in separate cities? Please distinguish between temporary situations (e.g., students attending college) and permanent situations (e.g., children residing with a former spouse). Address the case where you have networks in both cities as well as where you have a network in only one of the cities.	
35	What controls have you used to prevent cost shifting from inpatient to outpatient settings and to ensure a logical relationship between, for example, the cost of day surgery and the cost of one night's surgical admission? How do you identify and control "code creeping" or other techniques providers use to circumvent your attempts to address accurate coding and re-pricing.	
36	What provisions do you have to expedite or guarantee that all medical providers rendering services at network facilities (i.e. hospitals) are also preferred providers?	
37	Please describe how your hospital network reimbursements are currently arranged (i.e., % off retail, DRG, per diem, capitation, other)? If a combination of methodologies exist, please provide the approximate percentage distribution of each.	
38	Please describe how you may apply dental MAC rules and plan designs.	

## 2013-2014 COBRA Monthly Medical Rates

Tier	Cobra Monthly Medical
Employee Only	\$ 400.44
Employee / Spouse	\$ 880.95
Spouse Only	\$ 480.52
Employee / Child(ren)	\$ 720.78
Child(ren) Only	\$ 320.34
Dependent Age 26+	\$ 364.04
Employee / Family	\$ 1,343.52
Family Only	\$ 946.80

### New Dental Provider Delta Dental

Dental Core Employee Only	\$	16.50
Dental Core Emp & Family	\$	41.48
Dental Deluxe Emp Only	\$	29.34
Dental Deluxe Emp & Family	\$	82.22

CITY OF LAREDO  
PURCHASING DIVISION

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**AFFIDAVIT**

**Project:**

Form of Non-Collusive Affidavit

AFFIDAVIT

STATE OF TEXAS    {}  
COUNTY OF WEBB    {}

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Being first duly sworn, deposes and says:

That he/she is \_\_\_\_\_  
(a Partner or officer of the firm of, etc.)

The party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or shame; that said Bidder has not colluded, conspired, connived or agreed directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed Contract; and that all statements in said proposal or bid are true.

\_\_\_\_\_  
Signature of:  
Bidder, if the Bidder is an individual  
Partner, if the Bidder is a Partnership  
Officer, if the Bidder is a Corporation

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
**Notary Public**

**My commission expires:**

\_\_\_\_\_